



Recommendation for Action

File #: 19-2542, **Agenda Item #:** 141.

8/8/2019

Posting Language

Authorize negotiation and execution of Amendment No. 5 to an agreement with The Salvation Army, a Georgia Corporation, for one-time funding for expansion of homeless services to individuals at the Downtown Shelter and Social Service Center in an amount not to exceed \$500,000, for a total agreement amount not to exceed \$1,745,275.

Lead Department

Austin Public Health.

Fiscal Note

One-time funding in the amount of \$500,000 is proposed to be included in the Fiscal Year 2019-2020 Budget Stabilization Reserve Fund Operating Budget.

Prior Council Action:

April 11, 2019 - Council approved Resolution No. 20190411-026, directing the City Manager to identify potential sources of funding that would assist the Salvation Army Rathgeber Center in becoming fully operational, on an 11-0 vote.

March 31, 2016 - Council authorized a 6% cost-of-living increase that added \$40,911 to the 37-month base agreement with The Salvation Army, on an 8-2 vote, with Council Members Troxclair and Zimmerman voting nay, Mayor Adler absent, and Mayor Pro Tem Tovo recusing herself on the portion related to Creative Action.

November 20, 2014 - Council authorized execution of a 37-month agreement with The Salvation Army, with three 12-month extension options for a total agreement amount not to exceed \$1,363,728, on a 6-0 vote, with Council Member Tovo recusing herself from contracts associated with Theater Action Project/Creative Action.

For More Information:

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Additional Backup Information:

Approval of this item will authorize Austin Public Health to negotiate and execute Amendment No. 5 to the agreement with The Salvation Army for expanded case management services to individuals experiencing homelessness and staying at the downtown shelter. The City will provide one-time funding, enabling private donors to provide funds necessary to keep the downtown shelter fully operational for the subsequent years after the agreement expires on September 30, 2020.

Amendment No. 4 exercised the first of three authorized extension options, adding \$252,628 for the 12-month period ending September 30, 2019.

Amendment No. 3 added \$6,162 to the 37-month base term ending September 30, 2018, due to a 2.5% annual

cost of living increase for social services agreements approved by Council during the Fiscal Year 2017-2018 Budget adoption process.

Amendment No. 2 added \$11,082 to the 37-month base term ending September 30, 2018, due to a 2.3% annual cost of living increase for social services agreements approved by Council during the Fiscal Year 2016-2017 Budget adoption process.

Amendment No. 1 added \$40,911 to the 37-month base term ending September 30, 2018, due to a 6% annual cost of living increase for social services agreements approved by Council on March 31, 2016.

The original 37-month base agreement was approved by Council on November 20, 2014, with three authorized 12-month extension options for a total agreement amount of \$1,363,728.

Pursuant to Resolution No. 20190411-026, Council directed the City Manager to identify additional funding that could provide case management services for clients at The Salvation Army's downtown shelter. This additional funding would allow all clients staying at the shelter to receive case management, leading to improved outcomes for exits to stable housing, shorter lengths of time of homelessness, and more coordinated, housing-focused use of critical resources to support those individuals experiencing homelessness.

Expanding case management services at the downtown shelter is expected to positively impact multiple Strategic Direction 2023 Measures, including:

EOA.E.2: Number and percentage of persons who successfully exit from homelessness, and

EOA.E.4: Number and percentage of people receiving homelessness services through City of Austin contracts and DACC case management, who move into housing.